TESTIMONY - GENERAL LAW COMMITTEE - FEBRUARY 24, 2015 1 p.m. LOB 2B

6808

RE: <u>HB6908 - AAC ENFORCEMENT OF CERTAIN OCCUPATIONAL LICENSING STATUTES</u>

Submitted by: Joyce A. Wojtas, Mechanical Contractors Association of Connecticut (MCAC)

The MCAC strongly supports H.B. 6808, which is a significant part of a bill (S.B.412) that did not pass in the 2014 Session after months of meetings with both union and non-union representatives of the licensed trades and others. To the best of my knowledge, this bill (or something similar) is supported by most of the licensed trades and the contractors who employ them---the people who are impacted by the cheaters who violate the DCP licensing statutes.

This bill does not make any drastic changes to the law. In the interest of public safety, it reinstates the licensing boards' participation in the hearing and penalty process for violators of the licensing laws. This participation existed until 2007, when a bill passed, initiated by the DCP, to institute criminal penalties for serious violations of the licensing laws, however, it inadvertently disengaged the boards from participation in the process. Although some board members were told that this problem would be corrected, seven years have passed and nothing has been changed.

The occupational licensing boards, made up of both union and non-union licensed journeypersons, contractors and members of the public, are a great asset to the state. Members volunteer with no "per diem allowance" but can get mileage expenses, which many do not claim. The significant value of the members is their expertise in the trades; a value that would be "cost prohibitive". This expertise is required to determine when and if a violation has occurred, the level of the violation and inherent threat to the safety of the public and the appropriate fine that should be levied against the violator. Board members serve on their own time to protect the integrity of the occupational licensing laws that govern the day-to-day lives of the more than 40,000 licensed trades people and contractors and in turn protect the safety of the consumer and the public as a whole. The boards should be involved in the process.

During these difficult times, cheating is on the rise because consumers often look for the cheapest way out, which can not only be foolish, but dangerous. The cheater not only underbids the legitimate contractor, but does not provide workers' compensation or unemployment compensation coverage for its employees or pay taxes due the state. Swift action that hits the cheaters in the "pocketbook" will go a long way to prevent them from endangering lives. Currently, many of the violators walk away with a simple agreement to comply with the law in the future. This is not good. The licensing boards are ready, willing, and able to help the DCP in its mission to keep the public safe and the boards' participation is more than cost effective.

I believe an amendment to the bill should be made in Section 1(b) Line 32: after the word "section", insert "provided such violation is not the subject of a bona fide dispute as desbribed in subsection (a) of this section". In the construction industry, disputes between trades do occur and the bona fide dispute language, which was added to subsection (a) in P.A. 07-188 solved a major problem with the criminal charges. Including it in subsection (b) will eliminate shutting down a project because of a dispute that has another avenue for resolution.\This amendment was endorsed by the group that worked on this bill in 2014.

THANK YOU FOR YOUR FAVORABLE CONSIDERATION OF THIS BILL.

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